

# SENATE BILL REPORT

## SSB 5114

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As Passed Senate, March 6, 2001

**Title:** An act relating to motorcycles.

**Brief Description:** Modifying motorcycle provisions.

**Sponsors:** Senate Committee on Transportation (originally sponsored by Senators Horn, T. Sheldon, Hochstatter, Hargrove, Costa, Roach, Oke, Haugen, Zarelli, Regala, Fairley, Snyder, Morton, Benton, Constantine, Johnson, Stevens, McDonald, B. Sheldon, Sheahan, Long, Gardner and Rossi).

**Brief History:**

**Committee Activity:** Transportation: 1/31/01, 2/7/01 [DPS].

Passed Senate: 3/6/01, 46-0.

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### SENATE COMMITTEE ON TRANSPORTATION

**Majority Report:** That Substitute Senate Bill No. 5114 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Eide, Finkbeiner, Horn, Jacobsen, Johnson, Kastama, McAuliffe, Oke, Prentice, Shin and Swecker.

**Staff:** Dean Carlson (786-7305)

**Background:** In 1982, legislation passed requiring the Department of Licensing to create a voluntary motorcycle operator training and education program to provide public awareness of motorcycle safety and to provide classroom and on-cycle training.

Also in 1982, the motorcycle safety education account was created to fund the motorcycle operator training and education program. The motorcycle safety and education account is comprised of funds from fees from motorcycle endorsements, renewals, exams, and instruction permits.

Motorcycles that are purchased by, or loaned to entities that are conducting training for this program are generally subject to sales or use tax. Motorcycles that are loaned to nonprofit corporations are exempt from use tax.

**Summary of Bill:** Moneys deposited into the motorcycle safety and education account must only be used for motorcycle examinations and for the motorcycle operator training and education program. Entities implementing the motorcycle operator training and education program are exempt from sales and use tax on motorcycles they purchase and motorcycles loaned to them.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The motorcycle safety and education account's purpose is for motorcycle safety and training. We want to make sure the integrity of the training program is kept and this is a proactive measure to keep the funding. Motorcycles should have the same exemption that vehicles have when used for training purposes.

**Testimony Against:** None.

**Testified:** Senator Jim Horn, prime sponsor (pro); Karen Bolin, Washington Road Riders Association (pro); David Wendell, Evergreen Safety Council.

**House Amendment(s):** The House amendment removes the use tax exemption for motorcycles loaned or purchased for use in the Department of Licensing's operator training and education program.